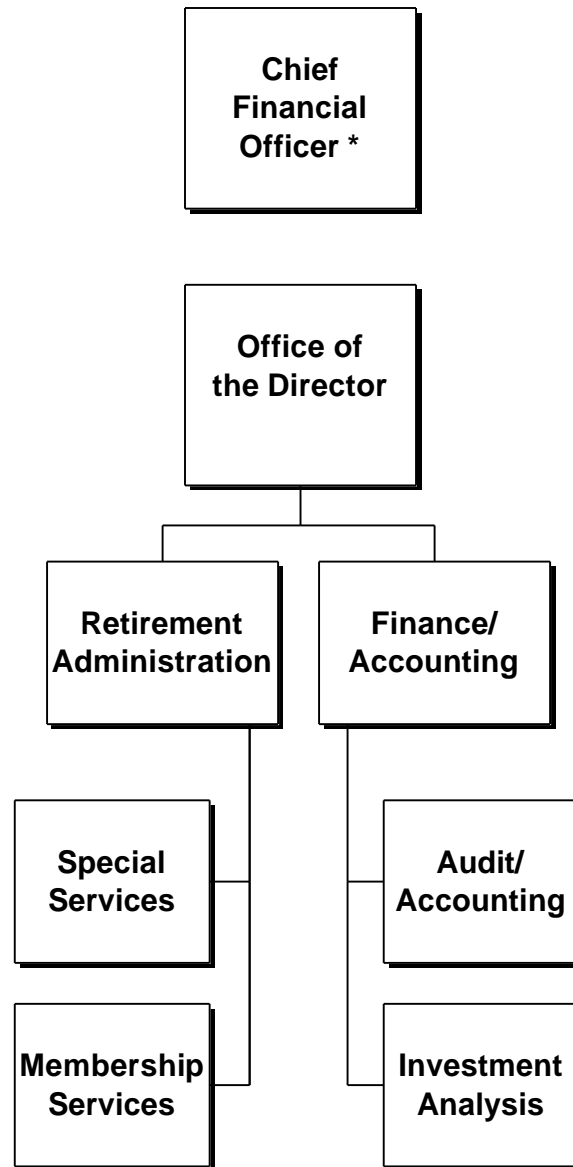


RETIREMENT ADMINISTRATION AGENCY



* The Chief Financial Officer has responsibility for strategic direction and oversight of this agency; however, for budget purposes, that position and associated funding are reflected within the Department of Management and Budget.

FUND 500

RETIREE HEALTH BENEFITS FUND

Agency Position Summary

21 Regular Positions / 21.0 Regular Staff Years

Position Detail Information

OFFICE OF THE DIRECTOR

1 Executive Director
1 Administrative Assistant III
1 Administrative Assistant II
1 Administrative Assistant I
4 Positions
4.0 Staff Years

RETIREMENT ADMINISTRATION

1 Retirement Administrator
1 Position
1.0 Staff Year

Special Services

1 Programmer Analyst II
1 Programmer Analyst III
1 Information Officer II
3 Positions
3.0 Staff Years

Membership Services

1 Management Analyst II
3 Retirement Counselors
4 Administrative Assistants II
8 Positions
8.0 Staff Years

FINANCE/ACCOUNTING

1 Investment Manager
1 Position
1.0 Staff Year

Audit/Accounting

1 Accountant II*
1 Administrative Assistant IV
2 Positions
2.0 Staff Years

*1/1.0 SYE Accountant II is financed by Fund 500, Retiree Health Benefits. All remaining 20/20.0 SYE positions are financed jointly by the three retirement trust funds (Fund 600, Fund 601, and Fund 602).

Investment Analysis

1 Senior Investment Manager
1 Investment Analyst
2 Positions
2.0 Staff Years

FUND 500 RETIREE HEALTH BENEFITS FUND

Board of Supervisors' Adjustments

The following funding adjustments reflect all changes to the FY 2003 Advertised Budget Plan, as approved by the Board of Supervisors on April 29, 2002:

- The Board of Supervisors made no changes to the FY 2003 Advertised Budget Plan.

The following funding adjustments reflect all approved changes to the FY 2002 Revised Budget Plan from January 1, 2002 through April 22, 2002. Included are all adjustments made as part of the FY 2002 Third Quarter Review:

- The Board of Supervisors made no adjustments to this fund.
-

County Executive Proposed FY 2003 Advertised Budget Plan

Purpose

Fund 500, Retiree Health Benefits, provides monthly subsidy payments to eligible retirees of the County to help pay for health insurance. The current monthly subsidy is \$100 once a retiree reaches the eligibility age of 55.

During FY 2003, the average number of beneficiaries, including new retirees, disability retirees and current retirees who will reach the age of 55 is expected to increase by 159, or 9.4 percent, from 1,694 in FY 2002 to 1,853 in FY 2003. Estimates of the average number of beneficiaries are based on a review of the projected number of retirements and health benefit eligibility for personnel already retired from the Fairfax County Employees' Retirement, Uniformed and Police Officers Retirement Systems. Participants who become eligible to receive benefits are paid based on the period of eligibility within the fiscal year, which may or may not comprise a full year of payments.

In FY 2003 the General Fund Transfer will increase by \$310,576, or 16.2 percent, over the *FY 2002 Revised Budget Plan* level of \$1,917,915, to \$2,228,491. In addition, an amount of \$71,445 is appropriated from fund balance to fund FY 2003 requirements.

The increase in the General Fund Transfer is significant in FY 2003 as a result of the growth in anticipated retiree participation in FY 2003, a reduction in the amount of available balance which may be applied to fund FY 2003 requirements and higher retiree participation during FY 2002 than was previously anticipated.

FUND 500

RETIREE HEALTH BENEFITS FUND

FY 2003 Initiatives

- ◆ Provide appropriate funding level to support the retiree's health insurance benefit subsidy.
- ◆ Continue to allow for the timely and accurate distribution of retiree health insurance subsidy payments.

Funding Adjustments

The following funding adjustments from the FY2002 Revised Budget Plan are necessary to support the FY2003 program:

- ◆ An increase of \$3,555 in Administrative costs primarily associated with salary adjustments necessary to support the County's compensation program partially offset by decreased operating expenses.
- ◆ An increase in benefit payments of \$253,600, or 12.9 percent, based on the current and projected rate of participation.

The following funding adjustments reflect all approved changes in the FY2002 Revised Budget Plan since passage of the FY2002 Adopted Budget Plan. Included are all adjustments made as part of the FY2001 Carryover Review and all other approved changes through September 10, 2001.

- ◆ There have been no revisions to this fund since approval of the FY 2002 Adopted Budget Plan.

FUND 500

RETIREE HEALTH BENEFITS FUND

FUND STATEMENT

Fund Type G50, Internal Service Funds

Fund 500, Retiree Health Benefits

	FY 2001 Actual	FY 2002 Adopted Budget Plan	FY 2002 Revised Budget Plan	FY 2003 Advertised Budget Plan	FY 2003 Adopted Budget Plan
Beginning Balance	\$234,652	\$159,866	\$231,311	\$106,445	\$106,445
Transfer In:					
General Fund (001)	\$1,896,000	\$1,917,915	\$1,917,915	\$2,228,491	\$2,228,491
Total Transfer In	\$1,896,000	\$1,917,915	\$1,917,915	\$2,228,491	\$2,228,491
Total Available	\$2,130,652	\$2,077,781	\$2,149,226	\$2,334,936	\$2,334,936
Expenditures:					
Benefits Paid	\$1,829,500	\$1,970,400	\$1,970,400	\$2,224,000	\$2,224,000
Administrative	69,841	72,381	72,381	75,936	75,936
Total Expenditures	\$1,899,341	\$2,042,781	\$2,042,781	\$2,299,936	\$2,299,936
Total Disbursements	\$1,899,341	\$2,042,781	\$2,042,781	\$2,299,936	\$2,299,936
Ending Balance	\$231,311	\$35,000	\$106,445	\$35,000	\$35,000